

## Unemployment

# Beyond the summertime blues

The salary advantage of post-secondary education has been dropping — in the United States where the slump has been measured) the "college advantage" went from 24% in 1969 to 6% in 1976.

This is the kind of job market that faces an increasing number of students, during the summer or after graduation. It has caused people to choose (and switch) courses and programs in a search for post-secondary training that will ensure worthwhile employment.

What has made unemployment a problem that few students can safely ignore?

Resolution of the economic problem comes when the economy is stable. Stabilization involves artificial increases or decreases of economic activity, to counter fluctuations. Quoting Mr. Cullen, Manpower and Immigration Minister, the federal government feels that with his approach, employment programs must be "compatible with the restraint of expenditures, moderation in the increase of money supply, and the avoidance of

massive inflation-stimulating deficits."

## Hire-a-student

The image of a student "working her way through college" reflects the public and private sector custom of offering students summer work to fill seasonal job vacancies and to provide the summer earnings needed to pay for post-secondary education.

The hire-a-student campaigns usually stress casual employment, giving rise to the educated guess that employers decide how many regular summer jobs will be available on the basis of their manpower requirements, not in response to a government advertisement, i.e. only casual jobs can be opened up by the campaigns. The usefulness of these campaigns comes into question, therefore, since only slightly more than a quarter of the jobs filled by Canada Manpower Centres for Students were casual employment (117,122 regular, 41,268 casual, by July 30, 1976).

## Job creation

The flaws of the hire-a-student approach lead to other student job programs, usually a variation of job creation. This approach brings summer work to the locations and groups without available job, compensating for the private sector's failure to provide work. Job creation is usually preferred to income maintenance since society receives the output of the work, as well as the benefit of the individuals' spending.

While a job creation program must take into account each area's working conditions, low income students who want to return to school may have the decision made for them if there are only minimum-wage jobs. If job creation programs are supposed to, among other things, provide career development, work skills and social responsibility, it is difficult to see how this can be done in a job which has non-competitive wages and conditions.

## Employment of graduates

From 1961 to 1971 there was much-increased employment in the office and professional, service and recreation, craftsmen and production process occupations. It is absorbing the growing numbers of post-secondary graduates, fuelling the growth of the post-secondary system. In 1971, without much warning, these occupations stopped growing so quickly, and soon there was increased unemployment among office and professional, service and recreation occupations.

The post-secondary system turns out more graduates each year. There are 114,000 people leaving post-secondary studies in 1976, and Statistics Canada expects 123,100 to leave in 1978.

A slowdown may not come until 1985. Many jobs depend upon government plans, but it is impossible to foresee public policy changes and their effect on the job market for graduates. Some view graduate un/underemployment as the result of supply and demand forces. They hope that a decrease in enrollment will result from scare stories about un/underemployment, and that full employment and high salaries will return as the number of graduates declines.

## Conclusion

Canadians generally, and young people particularly, are coping with high unemployment and its consequences. Governments have a variety of methods to deal with unemployment, but these may be used to serve economic goals, rather than resolve Canadians' need and desire for jobs.

Students' summer and post-graduation experience makes it important to have government policies that work to eliminate unemployment, to establish full employment in Canada. The economy can be adjusted through other measures, such as taxes on profits and the value of the dollar.

In periods like the 1970s, when the private sector cannot provide enough jobs, massive job creation programs and adequate income maintenance for the unemployed appear to be the only measures that deal justly with the unemployment problem and move toward full employment.

*National Student Day on November 9 is an opportunity for discussion on problems of post secondary education. The areas for discussion at the U of A are to be, cutbacks, tuition, student aid and unemployment. These articles are an attempt to provide some background information on these issues.*

## Student Loans plan; taken for granted

student withdraws before the end of the school term and the Board is not satisfied with his explanation, remission might also be affected. If the student was unable to find work, was underemployed or chose to pursue other forms of education during the summer, remission is reduced. If the student chooses not to give permission for the Students Finance Board to audit his income tax returns, this will likely have detrimental consequences on remission granted. The Board has almost a blanket authority to ensure the student conforms to the pattern of behavior it has set.

It is difficult to find any precise indication of the weight remission criteria receive when the grant is determined. Student and/or family financial contribution is computed on a fairly simple basis. If one is short \$100 for the summer savings section, \$100 will be reduced from the remission expected. "Serious academic effort" is not given a great deal of consideration by the staff: graduation lists are sent from the major post-secondary institutions and if a student's name appears on it, the Board considers this proof of academic merit. Near to full remission would likely be issued in this case.

Another aspect of the remission program with which one can find fault with is the varying remission ceiling per year of program. The theory that the students' earning power increases in proportion to the number of years of post-secondary education has little credence. In the annual scramble for summer jobs,

most employers take little interest in what year of a program the student has reached. With the exception of apprenticeship training programs, the summer employment market is largely indifferent to age and level of academic training. Nor are living expenses considerably different for students in varying years of education.

If the student is not satisfied with the amount of remission granted, there are appeal procedures available. Strangely enough, the appeals route has been geared to the amount of loan awarded in the past. Students have not been informed of their remission appeal rights in either the Student Finance Regulations or the *Directory of Financial Assistance*. The Board now issues an explanatory note on the awards statement describing the appeal process if the student is dissatisfied with his remission. The procedure is the same as that of appealing one's award: the Board will reassess the remission and an appeals committee may make a final judgement if the student is persistent enough.



## NATIONAL STUDENT DAY

University of Alberta

### Schedule of Events

TUESDAY NOV. 9, 1976

10:30 - Noon

Panel Discussions

**STUDENT AID  
and SUMMER  
EMPLOYMENT**

Noon-1:30

Question Period  
with Mr. Bert Hohol  
Minister of Advanced Education

**CUTBACKS and  
TUITION**

1:30-2:30

Questions & Answers

**STUDENT COUNCIL  
GENERAL MEETING**

3 PM & 7 PM

**"GETTING STRAIGHT"**

free admission

**SUB Theatre**

## The Feds and funding

In 1966 provincial demands for greater responsibility, and long-standing constitutional questions, made clear the need for new ways to finance post-secondary education.

Prior to the 1967 implementation of the fiscal arrangements program, federal support was granted directly to the post-secondary institution. An amount was granted to each province based on its total population, and each institution within the province received an amount proportionate to its enrolment. When this method of financing was introduced in 1951, the grant amounted to 50 cents per capita. By 1966 it had increased to \$5.00.

Direct federal support to higher education was withdrawn under the 1967 program. The provinces accepted responsibility for supporting all post-secondary education in return for a 50:50 sharing of the costs.

The 50% of operating expenses that the federal government guarantees to match does not and need not originate only from the provincial government. Tuition fees and other payments collected help make up the 50% "provincial" contributions. Therefore, the more collected through tuition, the less the provinces must spend to meet the requirements of the Act, thus encouraging the provinces to collect the maximum in tuition.

The concentration of responsibility at the provincial level means that Ottawa has no control over the cost levels of a major expenditure item.

Another aspect of that concentration of responsibility has been a severe centralization of decision-making about post-secondary education at the provincial government level. Not only the federal government, but students and others within the institutions, and other public interest groups, are excluded from the process of allocating the funds and directing post-secondary education's development.